REMARKS

Claims 1-17 are currently pending in this application. Claim 18 has been added. Applicants thank the Examiner for the further attention given to this application.

SPECIFICATION

Changes have been made to the specification to correct minor typographical errors. No new matter has been added.

§102 REJECTIONS

Claims 1-5 and 8-15 are rejected as allegedly being anticipated by Sehr (U.S. Patent No. 6,085,976). Applicant respectfully traverses this rejection.

To anticipate a claim under 35 U.S.C. sections 102(a), (b), or (e), the reference must teach every element of the claim. (See MPEP 2131.) "A claim is anticipated only if each and every element as set forth in the claim is found, either expressly or inherently described, in a single prior art reference." (Emphasis added) (Verdegaal Bros. v. Union Oil Co. of California; see also MPEP 2131.) "The identical invention must be shown in as compete detail as is contained in the ... claim." (Richardson v. Suzuki Motor Co., 868 F.2d 1226, 1236, 9 USPQ2d 1913, 1920 (Fed. Cir. 1989); see also MPEP 2131.) Further, any claim depending from base claims not anticipated by the prior art also are not anticipated by the prior art since the dependent claims comprise all of the elements of the base claims.

Sehr does not teach each and every element of independent claims 1 and 10, as discussed below. Thus, Applicants respectfully request that the Examiner withdraw the

35 U.S.C. 102(e) rejections of independent claims 1 and 10, and dependent claims 2-5, 8-9 and 11-16, and issue a notice of allowance for claims 1-17.

Independent claim 1 and dependent claims 2-5 and 8-9

The Office Action asserts that Sehr teaches a system for implementing a best fare by analyzing the patron's travel data with price points. However, this assertion is not supported by the specification of Sehr. Sehr fails to teach or suggest each and every element of amended independent claim 1. Specifically, claim 1 comprises among other things:

> "a best fare processor in communication with the mass transit central computer, the best fare processor for analyzing transaction data stored on the smart card to a plurality of price points of a price point table of the plurality of price point tables, the best fare processor for determining a start date and an end date for the purchased fare pass when the fare transaction data and monetary value meet a price point of the plurality of price points of the price point table."

Sehr does not teach or suggest a best fare processor that analyzes the travel or transaction data of a patron and compares that data with data stored in a price point table as defined in claim 1. As indicated in the specification of this application, a price point table contains various fare options available to the patron, such as paying $100 for using the transit system for 28 days or paying $25 for using the transit system for 7 days. (See page 10, paragraph 24). The invention as defined by claim 1, determines the prior usage of the card by the patron during a certain period of time and analyzes or compares this data with the data stored in the price point table. The best fare processor determines the best possible fare available to the patron. For example, if the patron made several trips on the transit system and $100 has been deducted from the card in the past 28 days or less, the

patron is allowed to ride the transit system for free until the 28 days are up. If the patron does not qualify for the 28 days, the best fare processor verifies whether the 7 day price point is met. (See page 10, paragraph 25)

Sehr, on the other hand, merely allows different codes that are associated with tickets or services requested by passengers to be encoded onto the cards. (See column 8, lines 15-20.) Sehr may download a pass that is good for $100 or 28 days to a patron's card, but nowhere does Sehr teach or suggest analyzing the transaction data on the card of the patron and based upon this data, determine if the patron can ride the transit system for free because $100 has been deducted but the 28 days are not up. If the patron does not meet that criteria, the system in Sehr does not look at the next pass data to determine if the patron meets that criteria as the present invention does. Furthermore, Sehr fails to teach or suggest determining a start date and an end date for the purchased fare pass when the fare transactions and monetary value meet a price point of the plurality of price points as is asserted in the Office Action. Sehr merely discloses using a card over a predetermined time period. When the patron uses the card for the first time, the start date is assigned. The present invention determines an end date based upon the day the accumulated expenditure met the price point. (See page 11, paragraph 28). It is not a predetermined date as in Sehr. Thus, Sehr does not anticipate claim 1 and claims 2-5 and 8-9 which depend therefrom.

Independent claim 10 and dependent claims 11-15

The Office Action also asserts that Sehr teaches a method for implementing a best fare by analyzing the patron's travel data with price points. However, this assertion is not supported by the specification of Sehr. Sehr fails to teach or

suggest each and every element of independent claim 10. Specifically, claim 10 comprises among other things:

> "comparing the fare transactions and the monetary value to a plurality of price points of the at least one price point table;
> determining a start date and an end date for the purchased fare pass when the fare transactions and monetary value meet a price point of the plurality of price points."

As discussed previously with reference to claim 1, Sehr does not teach or suggest a best fare processor that analyzes the travel or transaction data of a patron and compares that data with data stored in a price point table. The invention, as defined by claim 10, determines the prior usage of the card by the patron during a certain period of time and compares this data with the data stored in the price point table. The best fare processor determines the best possible fare available to the patron.

Sehr on the other hand merely allows different codes that are associated with tickets or services requested by passengers to be encoded onto the cards. (See column 8, lines 15-20.) As discussed above, Sehr may download a pass that is good for $100 or 28 days to a patron's card, but nowhere does Sehr teach or suggest analyzing the transaction data on the card of the patron and based upon this data determine if the patron can ride the transit system for free because $100 has been deducted but the 28 days are not up. If the patron does not meet that criteria, the system in Sehr does not look at the next pass data to determine if the patron meets that criteria. Furthermore, Sehr fails to teach or suggest determining a start data and an end date for the purchased fare pass when the fare transactions and monetary value meet a price point of the plurality of price points as is asserted in the Office Action. Sehr merely discloses using a card over a predetermined time period. When the patron uses the card for the first time, the start date is assigned.

The present invention determines an end date based upon the day the accumulated expenditure met the price point. (See page 11, paragraph 28). It is not a predetermined date as in Sehr. Thus, Sehr does not anticipate claim 10 and claims 11-15 which depend therefrom.

§103 REJECTION

Claims 6-7 and 16-17 are rejected as being unpatenatable over Sehr. Applicants respectfully traverse this rejection.

As indicated above, the cited prior art fails to teach or disclose a best fare processor that analyzes the travel or transaction data of a patron and compares that data with data stored in a price table as in independent claims 10 and 10. As such, it is believed that claims 6-7 and 16-17, which depend from amended independent claims 1 and 10, are allowable. Therefore, the §103(a) rejection should be withdrawn as to claims 6-7 and 16-17.

In view of the above, Applicants respectfully request reconsideration of the application and allowance of independent claims 1 and 10 and subsequently claims 2-9 and 11-17 which depend therefrom. Newly added claim 18 contains the same allowable subject matter of claims 1 and 10 and is believed allowable. If the Examiner believes that a telephone conference with Applicants' representative might expedite prosecution of the application, he is cordially invited to call at the number listed below.

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VERSION WITH MARKINGS TO SHOW CHANGES MADE

[0012] In the exemplary embodiment of the fair fare system the rail transit exit gates, parking lot equipment, at bus fare boxes are configured to include localized best fare processing. Each structure, i.e., transit gates, bus fare boxes, and parking lot equipment, receives a list of best fare options from the transit central computer and utilizes the information together with the travel information stored on a patron's smart card to determine whether the patron is [entitles] entitled to a best fare award. The results of the analysis are sent to the mass transit central computer for storage in a transaction summary database.

[0019] A fair fare system 100 and method of the present invention is implemented by best fare processing devices 142 including a transit program transaction data summary database 102, a fair fare analysis parameters database 104, a transaction data analyzer 108, an adjustor for complex fares 110, and a localized value load lists processor 112. The existing transit authority mass transit devices, i.e., vendors 114, rail gates 28, bus fare boxes 30, and parking lot equipment 32, are configured to include a best fare processor 42, 44, 46 which stores the current best fair information applicable to the particular mass transit device and which determines whether a patron is eligible to be awarded a best fare each time the patron passes through any of the devices 28, 30, 46.

[0020] The fare instrument utilized for implementing the present invention is a smart card which is presented by the patron to the smart card reader/writer 40 located on the mass transit devices 28, 30, 32 and vendors 114. Smart cards provide relatively large storage capacities that are required by the best fare system

100. A typical smart card for use in the fair fare system 100 of the preferred embodiment has a data storage capacity of 1,680 usable bytes, which is equivalent to approximately one half of a printed page. A current program such as *SmarTrip®* uses approximately 80 bytes, or 5%, of that capacity. The fair fare system together with an auto load system for automatically loading a pre-determined fare value to a card, brings the total required storage capacity to approximately 180 bytes, or about 12% of the capacity of a typical smart card. Thus, ample storage capacity remains on the smart card for further expansion and addition of transit authority programs.

[0032] In a preferred method for implementing a transit system best fare program, a best fare analysis parameter database 104 stores the price points tables for the various transit system devices 28, 30, 32. This database 104 is updated and maintained by the transit authority through the central computer 140. A transit program transaction data summary database 102 records the patrons transit activities from the transit devices 28, 30, 32 through the connection to the central computer 140. The patron's entitlement to adjustments are analyzed periodically by a transaction data analyzer 108 which identifies whether the patron has met the criteria for a multi-mode, multi-operator or longer term pass. A patron[s] meeting the criteria [are] is awarded an adjustment 110 to the monetary value of their smart cards which is recorded in the benefits database 118, and loaded automatically to the smart cards at the transit gates 28, 30, 32 or at a vendor 114. Although the award is delayed, [is] it does allow a transit authority to achieve a more complex and data intensive fare policy.

1. (Amended) A system for implementing a best fare for a patron utilizing a smart card for access to mass transit devices, the system comprising:

a mass transit central computer;

a best fare data base connected to the mass transit central computer,

the best [fair] fare data base for storing a plurality of price point tables for the mass transit devices;

a value load list processor for downloading at least one of the plurality of price point tables to the mass transit devices;

the mass transit devices comprising:

a smart card reader for reading from and writing to a smart card, the smart card for storing fare transaction data and a monetary value of a purchased fare pass;

a best fare processor in communication with the mass transit central computer, the best fare processor for analyzing transaction data stored on the smart card to a plurality of price points of a price point table of the plurality of price point tables, the best fare processor [having means] for determining a start date and an end date for the purchased fare pass when the fare transaction data and monetary value meet a price point of the plurality of price points of the price point table.